

Ex. Y

From: Linda Shelton
Sent: Sunday, April 09, 2006 11:28 PM
To:
Subject: Fw:

Ex. O [
(Y-MM)

----- Original Message -----

From: [Danny Shelton](#)
To: [linda shelton](#)
Sent: Thursday, April 07, 2005 3:14 PM

Ms. Shelton

I tried to call you to explain the horse deductions. I just remembered that Lewis just gave us a donation of \$20,000 last year. It did not mention horses. That is much better than all the other rig a ma role.

I have no idea if that's even close to spelling that word, but it seemed to fit.

So, I have left a message that he has not returned yet. Hopefully, you will just get a tax donation report from his ministry showing that you gave \$20,000 to his ministry. That's the way he chose to do it.

I should get one too. I guess he's counting it the same as a cash donation.

Happy Dan

ps. I think he's willing to give us a \$10,000 donation for 2005 (\$5,000 @), if we donate our black 3 yr. old stud. I can't really use him to breed any more of our horses or they will all be the same blood line.

If this is ok with you please let me know in writing and I'll try to make it happen. He's hurt his foot really bad by kicking in his stall. I hope it heals ok.

Danny Shelton
[danshelton@](#)
Why Wait? Move to EarthLink.

Ex. Z

From: Linda Shelton
Sent: Sunday, April 09, 2006 11:29 PM
To:
Subject: Fw:

----- Original Message -----

From: [Danny Shelton](#)
To: [linda shelton](#)
Sent: Monday, April 11, 2005 4:23 PM

LS

Steven Lewis says he is overnighting me two cash donation receipts. One for you for \$20,000 and one for me for \$20,000. I'll overnight it to you if you want or you can give it to your accountant when you want.

If you want me to overnight it to you, then please let me know.

DS

This is a great blessing to us for him to consider this a cash donation.

Danny Shelton
[danshelton@](#)
Why Wait? Move to EarthLink.

Ex. AA

From: Linda Shelton
Sent: Sunday, April 09, 2006 11:31 PM
To:
Subject: Fw:

----- Original Message -----

From: [Danny Shelton](#)
To: [linda shelton](#)
Sent: Wednesday, April 13, 2005 7:34 AM
Subject: RE:

Linda, can we talk about why you don't want a cash receipt. It's nothing that we are doing wrong. If I understand it, he has the option of writing the receipt the way that's best for him. It's definitely better for us, or at least quicker and easier for us to get a cash receipt. An appraisal can take time and cost money. We also have no guarantee what they will appraise for. I'm willing to do what you want, but it could take from a couple of weeks to a couple of months to try to get an appraisal. I'd like to call you in a few minutes and talk about it. OK?
Dan

----- Original Message -----

From: [Linda Shelton](#)
To: [Danny Shelton](#)
Sent: 4/13/2005 7:22:12 AM
Subject:

I do not want the \$20,000 cash receipt. I think if we gave horses, we need to claim that we gave horses and give the appraisals and proper documentation.

LS

Ex. BB

Subject: Fw: Property Division 7-5-04
From: "Linda Shelton"
Date: Sun, 5 Sep 2004 07:41:17 -0500
To:

----- Original Message -----

From: Danny Shelton
To: Linda Shelton
Sent: Wednesday, July 07, 2004 8:57 AM
Subject: Property Division 7-5-04

Property Division/ Settlement
7-5-04

Liabilities

4 Credit cards totaling	\$38,000
Linda's Toyota	22,500
Dan's Dodge truck	14,000
Pacific Press	22,000

total liabilities	----- \$96,500
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According to Illinois law these liabilities are to be divided between the two parties equally. \$96,500 divided by two = \$48,250 each.

Assets

1948 Willy's jeepster	\$ 8,500
Martin guitar	9,000
6x4 John Deer Gator	5,000
Horse trailer	2,000
1994 John boat (no motor)	500

----- \$25,000

other assets

14 horses gustomerated worth \$ 28,000

Both Dan and Linda receive royalties from music and or book sales.

This agreement states that Danny will be responsible for paying the credit cards of Bank One and Citi Bank (the one in his name), and will pay \$5,000 each on Linda's Citibank and Her Discover Cards. For a total credit card payment of approx. \$38,000.

Danny will pay at least \$150 a month on Linda's Discover card and \$150 per month on her Citi credit until the total amount is paid of \$10,000.

Danny will also pay off the Pacific Press account of approx. \$22,000

In return for paying off the credit cards and Pacific Press Danny will retain sole ownership of the 1948 Jeepster valued at approx. \$8,500

He will also retain sole ownership of the Martin guitar valued at approx. \$9,000.
He will also own the horse trailer valued at Appr. \$2,000

The 6x4 John Deere Gator is valued at \$5,000. Linda has purchased Danny \$2,500 interest giving her sole ownership of the Gator.

Linda will be responsible for paying off her 2003 Toyota Sequoia of approx. \$22,500

And Danny will pay of his 2002 Dodge truck of approx. 14,000

The horses will be divided 50/50 when sold.

All other assets are to be divided by verbal agreement between Dan and Linda.
Assets like all knick knacks, tools, books, Russian Dolls.

If settlement can't be reached all items will be appraised and sold with all monies being divided equally.

Under this agreement Danny agrees to pay Liabilities of \$74,000
And will keep the 1948 Jeepster and the Martin guitar, horse trailer, John boat, and other smaller items as divided by Danny and Linda.

Linda will pay her Toyota vehicle of approx. \$22,500

Both parties give up any portion of unpaid Royalties, past or future, music or books, from the other party.
In other words each party receives 100 % of their own royalties and 0% of the others.

If this agreement is acceptable, both Dan and Linda, will acknowledge by signature below

Danny Shelton

Linda Shelton

Danny agrees to this final settlement. If Linda is not agreeable to these terms, then everything, assets and liabilities, will be divided equally as stated by Illinois law.

Danny has given her his Jacuzzi that he purchased with the house and household items to fill an 18 ft. trailer plus her car many times.

He has also given her a piano worth approx. \$3,000 that is jointly owned by Dan and Linda. It is believed that 3ABN may own one half interest in the piano but Dan will approach the board if necessary to give the other one half interest to Linda.

Both agree that there are no other hidden or unclaimed assets or liabilities by either party to be claimed at a later date.

See page 3 for list of horses and approx. value.

	Approx. value
Zans Genuine Gold, a 2 yr. old filly by Genuine Doc.	\$5,000
A 2004 baby stud colt by Genuin Doc.	\$5,000
Zans Light Reiner a quarter horse	\$2,500
Sand Chica Ton, Apha	\$2,000
Spookes Black Star	\$1,500
Q Tons black Spook	\$1,500
Drum N Up Black Stud	\$2,000
Drum N Up Sand Filly	\$1,500
Zans Drummer Girl, 3 year old filly	\$1,200
Paid By Chica Ton 2 yr old by Paid by Chick	\$3,000
Spookies Black Beauty 2 yr. old Filly	\$1,500
TR Black Chica Ton yearling stud colt	\$1,000
Spookies Colormaker yearling filly	\$1,000
2004 black white baby	\$1,500
2004 buckskin baby	\$ 500
	<hr/>
	\$30,700 Total

Ex. CC

Subject: Fw:
From: "Linda Shelton"
Date: Wed, 8 Sep 2004 00:44:55 -0500
To:

----- Original Message -----

From: Danny Shelton
To: Linda Shelton
Sent: Tuesday, September 07, 2004 3:39 PM

The horse buyer laughed his socks off. He was offering an average of \$250.00 per yearling for the two black and white homozygous's. He offered \$600 for our big 3 yr old Drum N Up Spots filly. and \$500 for a nice two year old black and white Little Spook filly. He offered \$350 for our baby paint sort of buckskin colored homo baby.

I sent him home quickly.

I have another horse buyer coming, maybe, this week. He probably won't offer much more.

If you want me to give some of them away for those kind of prices I will, but I thought I would try a couple other options first.

Donating worked out great to SIU but they don't even want any either.

X

Please pay up on our bet. You know and I know and God knows, I won that bet. You don't spend nearly 5 weeks with a man traveling everywhere together to watch TV. Please keep your promise and pay up. Cash will be fine.

Ex. DD

IN THE CIRCUIT COURT OF THE SECOND JUDICIAL CIRCUIT

FRANKLIN COUNTY, ILLINOIS

FILED

JUL 18 2006

Tom Swank
FRANKLIN COUNTY
CIRCUIT CLERK

IN RE: THE MARRIAGE OF)

LINDA SUE SHELTON,)

Petitioner,)

vs.)

No. 05-D-30

DANNY LEE SHELTON,)

Respondent.)

FINANCIAL AFFIDAVIT

Pre-Judgment Post-Judgment

I. INTRODUCTION

I, Danny L. Shelton, on oath state that my present age is 55, and that:

(b) (POST-JUDGMENT ONLY): The marriage of the parties was dissolved on June 25, 2004.

II. PARTIES AND CHILDREN

HUSBAND

WIFE

Name: Danny L. Shelton

Name: _____

Address: [REDACTED]
[REDACTED]

Address: _____

Soc. Sec. #: xxx-xx-9955

Soc. Sec. #: _____

Date of Birth: [REDACTED]/51 Age: 55

Date of Birth: _____ Age: _____

Employer: Three Angels Broadcasting

Employer: _____

Occupation: Television

Occupation: _____

CHILDREN

NAME	Date of Birth	Age	With Whom Residing
N/A			
_____	_____	_____	_____
_____	_____	_____	_____

IMPORTANT – **Attach most recent of last three months' pay stubs showing your year-to-date earnings and deductions. Also attach all pages & W-2 Forms of your last filed Federal and State Income Tax Returns. For those individuals who receive any income from self-employment sources, attach Federal and State Income Tax Returns for the last two years and supporting documentation for year-to-date earnings.**

III. STATEMENT OF INCOME

HUSBAND

WIFE

GROSS MONTHLY INCOME from:
Salary, wages, commissions, bonuses,
allowances & overtime (NOTE: To
arrive at gross monthly income multiply
weekly gross by 52 and divide by 12, or
multiply bi-weekly income by 26 and
divide by 12)

\$5,991.00 \$ _____

III. STATEMENT OF INCOME (CONT.)

Pension or retirement	\$ _____	\$ _____
Social Security benefits	\$ _____	\$ _____
Disability or unemployment benefits	\$ _____	\$ _____
Public aid (ADC-Welfare)	\$ _____	\$ _____
Child support from prior marriage (alimony)	\$ _____	\$ _____
Rents	\$ _____	\$ _____
Other Income (specify):		
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
TOTAL GROSS MONTHLY INCOME	\$5,991.00	\$ _____

DEDUCTIONS:

Federal income tax withheld	\$1,035.00	\$ _____
State income tax withheld	\$175.00	\$ _____
Social Security and Medicare withheld	\$458.00	\$ _____
Medical or other health-related insurance	\$ _____	\$ _____
Union dues/mandatory retirement contributions	\$ _____	\$ _____
Dependent and individual health/hospital insurance premiums	\$ _____	\$ _____
Prior Court ordered support and/or maintenance, actually paid pursuant to a Court Order	\$ _____	\$ _____
Other deductions permitted by 750 ILCS §505(a)(3)(h) – (specify):		
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
TOTAL NET MONTHLY INCOME	\$4,323.00	\$ _____

IV. ESTIMATED MONTHLY EXPENSES (CONT.)

TRANSPORTATION:

Truck payment		\$463.00
Repair & maintenance		\$25.00
Gas & oil		\$150.00
Insurance		\$100.00
License and registration		\$8.00
Bus fare/parking		\$ _____
Other (specify):		\$ _____
		\$ _____
		\$ _____
	SUBTOTAL	<u>\$746.00</u>

MISCELLANEOUS:

	<u>CHILD</u>	<u>YOURS</u>
Child care/babysitter		\$ _____
School & school supplies	\$ _____	\$ _____
Church/charitable contributions		\$500.00
Newspapers, magazines & books		\$ _____
Barber/beauty shop	\$ _____	\$ _____
Life insurance premiums		\$ _____
Disability insurance premiums		\$ _____
Professional dues		\$ _____
Voluntary retirement contributions		\$ _____
Allowance (children's)	\$ _____	
Recreation/entertainment	\$ _____	\$ _____
Family pets (horses and dogs)		\$612.47
Family gifts		\$200.00
Toiletries	\$ _____	\$ _____
	SUBTOTAL	<u>\$1,312.47</u>

VI. ASSETS (CONT.)

HOUSEHOLD GOODS, APPLIANCES AND ALL OTHER PROPERTY NOT PREVIOUSLY LISTED:

<u>DESCRIPTION</u>	<u>LOCATION</u>	<u>PRESENT VALUE</u>	<u>HOW TITLE HELD</u>
Marital property Denny received:			
Bowflex exercise machine			
Stove			
2 Refrigerators			
Dishwasher			
2 Freezers			
Master bedroom set			
Downstairs bedroom set			
Old outside lawn furniture			
10 Horses + 2 horses sold	West Frankfort, IL	\$17,750.00 (\$4,500.00)	
1 Martin guitar	Same	\$9,000.00	
1 Dog	Same	\$600.00	


VII. DEBTS (Designate each non-marital debt as "NM")

<u>NAME OF CREDITOR</u>	<u>PURPOSE</u>	<u>BALANCE</u>	<u>MONTHLY PAYMENT</u>
Merlin Fharli	Mortgage loan	\$200,000.00	ann. interest
Citizen's Bank	Truck loan	~ \$10,000.00	\$463.00
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

VERIFICATION BY CERTIFICATION

Under penalties as provided by law pursuant to Section 1-109 of the Code of Civil Procedure, the undersigned certifies that the statements set forth in this instrument are true and correct, except as to matters therein stated to be on information and belief, and as to such matters the undersigned certifies as aforesaid that he verily believes the same to be true.

DATED: 7/13, 2006.



Danny L. Shelton

[Exhibit EE for the motion to compel filed in the Southern District of Illinois was filed under seal since it consisted of pages of Danny Shelton's 2001 tax return.]

[Exhibit FF for the motion to compel filed in the Southern District of Illinois was filed under seal since it consisted of pages of Danny Shelton's 2002 tax return.]

[Exhibit GG for the motion to compel filed in the Southern District of Illinois was filed under seal since it consisted of pages of Danny Shelton's 2003 tax return.]

Ex. HH

Subject: RE: [Norton AntiSpam] RE: Clarification needed to put rumor to rest
From: "Danny Shelton"
Date: Sat, 4 Nov 2006 17:26:24 -0600
To: "Bob"

Bob,

Anything rumor retold is a lie. No matter what the intention. That's why Christians shouldn't be involved in the rumor mill. People also shouldn't assume anything. For instance there is a number of reasons why I don't want to give out certain information to the public. Also because I don't answer your question the way you want it answered doesn't mean that it "suggests" what you think it does.

I have hundreds of emails sent to me. Most of them are very good ones such as praise reports ect. I enjoy hearing them and am glad that people share them with me but there are times that even answering praise reports begin to take a lot of my time that I should be spending with my family.

At first you asked me a few general questions. I answered them the truthfully the best way I know how. But I will not continue to answer one question after another about every terrible thing you read on Black SDA or get from Gailon. Lack of answering does not make one guilty. Jesus showed us this when the bible says He answered them not a word even though they were of accusing Him of things that He was not guilty of.

I believe that He got to a point when He knew for certain that it would do no good to answer anymore questions as the accusers was going to crucify Him anyway.

It seems that is the way it is with those accusing me. They will not believe truth even when it is staring them in the face.

I will just say this, I did have biblical grounds to go along with a mutually consented divorce with Linda, and I have done nothing legally wrong in my administration with 3ABN. The Illinois court case looked at virtually every thing they could to prove such a thing so that it would make it easy for them to deny our non profit status. They found nothing and 3ABN is still non profit. Our appeal currently going on with the state of Illinois is not about financial misconduct or anything else. The State of Illinois does not believe that our property is used for religious purposes because they do not accept the health messages presented on 3ABN as part of our religion. We are trying to prove them wrong.

If the state of Illinois which gathered something like 2000 pages of info in discoveries with 3ABN plus 3 days of testimony in court plus hours of depositions from 3ABN employees including Linda, could find nothing wrong with how our administration of 3ABN including finances, how possibly could some one like Galon who has never been privy to one page of documents from 3ABN that I know of, possibly think he knows more than the state of Illinois.

Here's the difference. The State of Illinois had access to all our records. Gailon has access to a few people who worked there who have an ax to grind and have told him twisted stories which are lies. He's either not to bright or gullible, or is out to prove something himself. It could be other reasons, but I do know this, he does not want truth. There are two sides to every story and He has only gathered info from one side. He is upset because we will not give him the info he wants an believes that if he is accusing enough against us that we will take him into confidence with the truth that we have. This will not happen.

Church leaders will soon be looking at both sides of this divorce and each side will have a fair chance to present truth to them.

Both sides will have to live by their decision whether we like it or not.

Gailon sees himself involved. He is delusional. He is not involved. We will trust church leaders with the truth not some self proclaimed reporter.

God Bless!

Danny

ps. I need to quit answering questions even like yours for now as church leaders as well as my attorneys have said that anything I put in emails will only be used against me, not for me. I guess I should start listening to them.

----- Original Message -----

From: Bob

To: Danny Shelton

Sent: 11/3/2006 2:34:10 PM

Subject: [Norton AntiSpam] RE: Clarification needed to put rumor to rest

Hi Danny. Thanks so much for your reply.

If Remnant owns the copyright of TCTR, why does it say inside the book, "Copyright 2004, 2005 by Danny Shelton and Shelley J. Quinn"? Why doesn't it say that Remnant holds the copyright?



***An Attempt to Mend a Broken Network
& Save the Cause of Christ from Reproach***

Home Page
Tommy Shelton
Danny Shelton
ASI
Smokescreen
Abuse of Power
Ethical
Allegations
Financial
Allegations
Book Deals
Emails
Financial Aff.

Danny Shelton's Book Deals

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"Probably Several Hundred Thousand Dollars"

In the early days of the present 3ABN crisis, a former 3ABNer commented on 3ABN president Danny Shelton's book deals and their significance:

----- Original Message -----

From: *****

To: G. Arthur Joy

Subject: RE: MAP

Date: Tue, 19 Sep 2006 17:02:39 -0700

Hello Gailon,

...

I have wondered about the numbers. When I spoke with Danny about a month or so ago, he insisted that numbers were up by a couple of million. But when I spoke with a board member he indicated that the finances were not doing well, in part relating to a tremendous amount of money 3ABN put into the "Ten Commandments Twice Removed Book" which was distributed by the millions during the spring. I am quite certain that Danny received royalties on this, probably to the tune of several hundred thousand dollars, although he is refusing to disclose the amount to his own board members. This is a gross conflict of interest and also an improper personal inurement that could cause the ministry to lose its tax exempt status if it came to light. ...

...

Form 990's

Correspondence
Untruths
Alleged Illegal
Activities
Mene, Mene,
Tekel, Parsin

Danny's Apologists
Leonard Westphal
Litigation, etc.
Letters of Support
Letters of Criticism
News Releases
Contact Us

Added on 5/9/2007
Anonymous #2

Added on 5/8/2007
Merger ?'s
Lisa M #3
Reactions #3
(Updated)

Added on 5/4/2007
Alfred Smith

Added on 5/3/2007
Lawsuit Filed!!!

Added on 4/27/2007
Mene, Mene,
Tekel, Parsin

Added on 4/26/2007
The Corrupt
Mary Penny #2
"Not a Victim"
SH

Added on 4/25/2007
Resignation
(Updated)
PJMusic
Pastor Doug
Constituency

Must Read:
Mom in Pain #1

Danny Appears to Confirm the Problem

One concerned individual, after [hearing](#) that Danny was not disclosing these profits in order to avoid having to share them with his ex-wife in their marital property settlement, [wrote](#) to him directly. Danny [made it quite clear](#) that he was indeed keeping these profits a secret during the marital property distribution proceedings. But why would he do that, unless he really had made a hefty profit?

The July 13, 2006, Financial Affidavit

The accounting of 3ABN appears to be off limits to nearly everyone. That is unfortunate, for it makes it extremely difficult to demonstrate that various allegations of financial improprieties are simply untrue. Yet the [Financial Affidavit](#) is one piece of financial information that is fairly accessible, having been filed at the Franklin County Circuit Court in July 2006. What follows are questions raised by that affidavit.

Not Much Money in the Bank?

Danny lists only two bank accounts in the [affidavit](#), one containing \$1,500 and the other containing \$1,000. Since around 4.5 million copies of his book, *Ten Commandments Twice Removed*, were distributed in the spring of 2006, and since [Danny's personal responses](#) suggest that he did make a lot of money on those sales, why does he list only \$2,500 in those two bank accounts?

On the Other Hand ...

The amount declared in the [affidavit](#) for charitable contributions, \$500, suggests that there couldn't have been any royalty payments at all. The declared gross monthly income is \$5,991, and the charitable contributions are but 8.35% of this total.

After subtracting the taxes that got withheld, but before figuring in what the tax refund might be, the declared net monthly income is \$4,323. Thus the charitable contributions would amount to 11.57% of this figure. Given the Seventh-day Adventist teaching on tithes and offerings, it seems impossible that \$500 in contributions could represent tithe and offerings on both Danny's salary from 3ABN and hundreds of thousands of dollars of alleged profits from book deals.

The declared gross monthly income figure of \$5,991 should be about right, since that would amount to \$71,892 for the year, which is comparable to the annual salary of \$70,944 reported for Danny on [3ABN's 2005 Form 990](#). (See Statement 9 on page 4 of the "Supplemental Information" attached to the Form 990.)

3ABN Area: Low Housing Costs

Since we are talking about the [financial affidavit](#), we'll add this one item that doesn't pertain to royalties. Based on the [affidavit](#), it would appear that right around 3ABN is an excellent place to find low-cost housing. Consider that Danny has declared that his residence is worth only \$275,000. Just how much can one get for that sum? Our understanding is that his home has the following features:

- 4 bedrooms.
- 4 full baths.
- 1 half bath.
- 5000+ sq. ft.
- 2-car garage.
- Wrap-around porch.
- 18½ acres.
- Large pond.
- Large horse barn.
- Paved driveway.
- Swimming pool.

For comparison, consider the higher-priced area of West Frankfort, not very far away at all. (Actually, it's so close that Danny's mailing address is West Frankfort too.) There we have a home being offered for sale in March 2007 for \$204,300, a listing with an MLS ID of 257978. Located at 18297 Lone Oak Terrace in the Forrest Ridge subdivision, you just can't get as much for your money as you can next to 3ABN:

Description

Wooded-Cul-De-Sac-Over an Acre Beautiful wooded lot in a country subdivision is the location for this lovely, well maintained home featuring a great room well arranged to entertain a large group or a cozy family evening, large arched windows, crown molding, well designed kitchen with all appliances, dining room, master bedroom suite, with jet tub and separate shower in master bath.

Features

3 beds
2 baths
2358 Sq. Ft.
1.18 Acres

Lot Features

Lot Dimensions (203x210x235x28)
Lot Topography (Wooded-Gently Rolling)
Road Type (County)
Sewer Utilities (Aerator)
View (Wooded)
Water Utilities (City)

Building Features

Cooling System (Central)
First Floor Sq Ft (2,358)
Gross Living Area Sq Ft (2,358)
Heating System (Geo Thermal Electric)

Interior Features

Bedroom 2 Dim (12x11.5)
Bedroom 3 Dim (12.5x11.2)
Dining Room Dim (12.5x12)
Great Room Dim (35x19.5)
Kitchen Dim (11.4x14.2)

Appliances

Dishwasher
Disposal
Microwave
Range/Oven
Refrigerator

Exterior Features

Parking (2 car attached)

(Found on DonnaPrattHomes.com on March 21, 2007)

On Second Thought ...

On second thought, is it at all possible that this [financial affidavit](#) does not reflect reality, that Danny's house is worth much more than \$275,000, that he does have a lot more than \$2,500 in two bank accounts, that he is trying to hide his book deal profits and his assets lest he have to fork over more to the lady he divorced and called an adulteress when he had [no proof to that effect](#)? Then that would help make more sense out of comments by folks who live around Thompsonville and West Frankfort who think Danny is quite wealthy, perhaps even a millionaire.

And should DLS Publishing, Inc., Danny Lee Shelton's publishing company, be listed somewhere on the affidavit? Or is it not considered an asset?

CORPORATION FILE DETAIL REPORT

Entity Name	DLS PUBLISHING, INC.	File Number	63911682
Status	GOODSTANDING		
Entity Type	CORPORATION	Type of Corp	DOMESTIC BCA
Incorporation Date (Domestic)	11/30/2004	State	ILLINOIS
Agent Name	DANNY L SHELTON	Agent Change Date	11/30/2004
Agent Street Address	2954 NEW LAKE RD	President Name & Address	DANNY L SHELTON 2954 NEW LAKE RD W FRANKFORT 62896
Agent City	WEST FRANKFORT	Secretary Name & Address	NONE
Agent Zip	62896	Duration Date	PERPETUAL
Annual Report Filing Date	11/03/2006	For Year	2006

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182551

***"Truth invites examination & needs no defense.
Lies hide in darkness & blame everyone else."***



An Attempt to Mend a Broken Network & Save the Cause of Christ from Reproach

Did Remnant's Dwight Hall Conspire with Danny Shelton to

Hide Hundreds of Thousands in Royalties from the 3ABN Board?

Remnant Reports Payments; 3ABN and Danny Shelton Do Not

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Next >

We'll first lay out the story as we have gotten it from various sources, and then analyze Remnant Publications' Form 990's, which appear to confirm many of the details.

An Early Tip: "Danny Is Hiding His Royalties from the 3ABN Board"

A former 3ABNer wrote on September 19, 2006:

----- Original Message -----
From: *****
To: G. Arthur Joy
Subject: RE: MAP
Date: Tue, 19 Sep 2006 17:02:39 -0700
Hello Gailon,
...
I have wondered about the numbers. When I spoke with Danny about a month or so ago, he insisted that numbers were up by a couple of million. But when I spoke with a board member he indicated that the finances were not doing well, in part relating to a tremendous amount of money 3ABN put into the "Ten Commandments Twice Removed Book" which was distributed by the millions during the spring. I am quite certain that Danny received royalties on this, probably to the tune of several hundred thousand dollars, although he is refusing to disclose the amount to his own board members. This is a gross conflict of interest and also an improper personal inurement that could cause the ministry to lose its tax exempt status if it came to light. ...
...

Newer Sources Confirm Tip, Dwight Hall Implicated

According to various sources, Danny Shelton asked Dwight Hall, president of Remnant Publications of Coldwater, Michigan, to hide his royalties for the Ten Commandments Twice Removed book so that the 3ABN Board would not know how much Danny was getting and so that Linda wouldn't get any. These sources, including an administrator in an independent ministry, claim that Dwight Hall agreed to hide Danny's royalties, and that at some point in 2007, almost \$300,000 sat in a secret account in a Coldwater, Michigan, bank, which Danny could access via an ATM machine.

What was the timeline? From what we can piece together from our sources:

- Danny reportedly first asked Dwight to hide his royalties in June 2006.
• At that point Dwight allegedly stopped running his typical quarterly royalty report on Danny's book.
• A sizable amount of royalties had allegedly already been calculated prior to that point, but Dwight held on to it at Remnant.
• Sources claim that at year's end that same amount still sat on Remnant's books, and that by some point in 2007 that fund had grown to nearly \$300,000.

Now since Remnant Publications' 2006 Form 990 reports an increase in royalty payments in 2006 of more than \$480,000 over 2004, Remnant must have run the royalty reports at some point and calculated what Danny had earned for royalties in 2006.

Danny Hides His Royalties from the Court

On July 13, 2006, Danny Shelton filed a financial affidavit with the Circuit Court of the Second Judicial Court which appears to contain false information. For example, he claimed that he owed 3ABN Board member Merlin Fjarli a balance of \$200,000 on a mortgage loan with a required payment of "ann. interest." Yet Franklin County Courthouse records in the spring of 2007 indicate that the mortgage loan was in the name of the Fjarli Foundation, not Merlin Fjarli. Also, the Fjarli Foundation's 2005 Form 990 documents that the balance as of December 31, 2005, was down to \$150,000, not \$200,000, and the loan was interest-free that year, since no interest was reported on Line 4, raising questions as to the claim of "ann. interest." Lastly, the Fjarli Foundation's 2006 Form 990 documents that

- Home Page
Site Map
Tommy Shelton
Danny Shelton
ASI
Smokescreen
Abuse of Power
Ethical
Allegations
Financial
Allegations
Book Deals
Emails
Financial Aff.
Dwight Hall
See Quinn Clip
Download
Quinn Clip

- Form 990's, etc.
Real Estate
Cheating the IRS?
Jet Costs
Send Your Tithe
Selling K36FJ
Selling K58DL

- Correspondence
Untruths
Alleged Illegal
Activities
Mene, Mene, Tekel, Parsin

- Danny's Apologists
Leonard Westphal
3ABN Board
Litigation, etc.
Letters of Support
Letters of Criticism
News Releases
Sign Up!
Contact Us

Added 5/23/2008
Initial Tax Case
Public Record

Added 4/10/2008
Tax Case Lost
Copyright Trouble

Added 3/29/2008
Gilley Winning Staff

Added 3/7/2008
Terminated

Added 2/10/2008
Objections Heard

Added 1/25/2008
Church Vote

Must Read:
Mom in Pain #1
Mene, Mene, Tekel, Parsin
The Actual Lawsuit
IRS Criminal Investigation

the loan was paid in full sometime in 2006, so the balance may have been less than \$150,000 in July.

As far as his income goes, Danny reported in [his affidavit](#) an expected income of but \$5,991 per month for the entire year of 2006 (\$71,892 for the year). Since 3ABN's [2006 Form 990](#) reports Danny's salary from 3ABN as being \$72,802 for 2006, Danny in essence was claiming that in 2006 he wasn't going to earn a single cent in royalties from Remnant or income from DLS Publishing (his personal, for-profit corporation) for the entire year, even though he already knew that he had earned substantial royalties from Remnant.

Danny's Lawyers Declare Such To Be a Crime

How serious are these discrepancies? As Danny's personal lawyers John Pucci and Lizette Richards put it, lawyers that represent both Danny and 3ABN in the lawsuit over [Save3ABN.com](#):

In connection with the Financial Affidavit, Joy authored a "Comments" section in which he raises a number of questions, ultimately concluding Plaintiff Shelton was untruthful in the Affidavit. [See](#) Attachment 3. Since the Affidavit was filed under the pains and penalties of perjury, Joy is, in essence, accusing Shelton of a crime.

While we have serious misgivings about some of the conclusions and tactics of Danny's lawyers, and they do make serious blunders from time to time, we feel that they very well may be correct this time around in suggesting that if Danny provided false information in his financial affidavit regarding the royalties he earned in 2006, he may have committed a crime.

CFO Larry Ewing Claims Danny Received No Income from Related Organizations in 2005

3ABN's [2005 Form 990](#) was signed by 3ABN CFO Larry Ewing:

Please Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.
	Date <u>1 5 / 26 / 06</u>
Signature of officer Larry Ewing - Treasurer	Type or print name and title

He answered Line 75c in the following way:

c Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to this organization through common supervision or common control? Note. Related organizations include section 509(a)(3) supporting organizations.	75c	<input checked="" type="checkbox"/>
--	------------	-------------------------------------

So what exactly does that mean? Consider the instructions for Line 75c:

Line 75c. Compensation From Related Organizations
 Answer "Yes" to this question if any officer, director, trustee, key employee, or highest compensated employees, or highest compensated professional and non-professional independent contractors received aggregate compensation amounts of \$50,000 or more from your organization and all related organizations (as defined below). ...

Organizations answering "Yes" must attach a schedule that lists, for each officer, director, trustee, key employee, highest compensated employees, or highest compensated professional and non-professional independent contractors, a description of the relationship between the organization and the other organization, receiving such compensation, the name and EIN of each related organization that provided the compensation and the amount each provided. Use the same format as required by columns (C) through (E) of Part V-A.

... For purposes of reporting on the Form 990, related organizations are tax-exempt or taxable entities with a close connection. A close connection that binds related organizations may include:

...

- Common persons exercising substantial influence over all of the organizations.

(["2005 Instructions for Form 990 and Form 990-EZ,"](#) p. 28.)

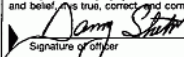
Danny's compensation from 3ABN in 2005 exceeded the \$50,000 threshold referred to above, since it is listed in the [2005 Form 990](#) amounting to \$70,944. Now if Danny Shelton being founder, director, and president of 3ABN as well as president of DLS Publishing makes him a common person "exercising substantial influence over" both organizations, we could be left with the following possibilities:

- Larry Ewing knew or should have known that Danny was getting income from DLS Publishing, but chose to answer "No" anyway; and/or
- Danny hid his DLS Publishing income from Larry Ewing so that Larry didn't know anything about it, even though 3ABN

- purchased \$44,724.38 worth of product from DLS in 2004, according to Note 14 of 3ABN's [2004 financial statement](#); and/or
- In 2005 3ABN funnelled all payments to Danny through Remnant Publications instead of through DLS Publishing in order to avoid answering "Yes" on Line 75c.

3ABN's 2006 Form 990 Does Not Disclose Figures

3ABN's [2006 Form 990](#) was signed by then-president Danny Shelton. Why didn't Larry Ewing sign it? We won't know until he is deposed, for he won't answer questions till then.

Please Sign Here	 Signature of officer	6/20/07 Date
	Danny Shelton President Type or print name and title	

Search the entire [Form 990](#), and you will not find any figures given for:

- The substantial royalties Danny earned from his *Ten Commandments* book due to his position at 3ABN.
- The value of any free advertising his *Ten Commandments* book was given by 3ABN, which resulted in his earning substantial royalties.
- The value of any free order-taking services that facilitated his earning substantial royalties, when people would call 3ABN to order the book.

Including figures for the above would raise concerns among the stockholders in the pew, who would hesitate to donate to a ministry if they think it is lining the pockets of its president.

Line 89b was left blank. Why?

88a At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX.	88a	✓		
b At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI.	88b	✓		
89a 501(c)(3) organizations: Enter: Amount of tax imposed on the organization during the year under: section 4911 <input type="text" value="0"/> ; section 4912 <input type="text" value="0"/> ; section 4955 <input type="text" value="0"/>				
b 501(c)(3) and 501(c)(4) orgs. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction.	89b			
c Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958.				
d Enter: Amount of tax on line 89c, above, reimbursed by the organization.				
e All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?	89e	✓		
f All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract?	89f	✓		

Danny answered Line 75c in the following way:

c Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to the organization? See the instructions for the definition of "related organization." If "Yes," attach a statement that includes the information described in the instructions.	75c	✓		
---	-----	---	--	--

The above, if truthful, suggests that DLS Publishing did not make one single cent during the entire year of 2006. (See page 35 of ["2006 Instructions for Form 990 and Form 990-EZ."](#))

Ten Commandments Book Debacle Hits 3ABN Hard

According to sources, the *Ten Commandments* book campaign was a splendid idea that brought dire results to 3ABN because of apparent greed. Here's the history as we have been able to put it together:

- 500,000 books were printed by Pacific Press at a cost of less than 26¢ a book, and were quickly sold.
- Rather than contact Pacific Press again, with whom 3ABN had a partnership, Danny asked Dwight Hall to print 300,000 more copies at a cost of 67¢ a book, with Dwight agreeing to continue paying Danny 10% in royalties.
- Those being quickly sold, Danny got Dwight to do another 500,000 copies.
- After those were sold, Dwight started farming out the printing, getting presses in Grand Rapids (which charged the most of any of them because of a shortage of the particular paper needed: 29¢ per book), the Review and Herald, and elsewhere to help out, never going back to Pacific Press.
- Before it was over, the 2006 campaign totalled 4.8 million books: 500,000 from Pacific Press and 4.3 million through Remnant Publications, 900,000 of which were in Spanish.

Now remember that 3ABN's [2006 Form 990](#) shows a deficit for the year of almost \$3 million. And that is about how much Remnant billed 3ABN for the 4.3 million books and shipping they were responsible for.

What if Danny had gotten Pacific Press to do the 4.3 million books for less than 26¢ instead of Remnant for 67¢? At a savings of 41¢ per book, 3ABN could have saved \$1,763,000 and ended the year with a much lower deficit. But there's more.

Paying With 3ABN Trust Department Funds

Sources claim that 3ABN managed to pay Remnant for the first 1.2 million copies, and then stopped. Dwight subsequently pressed Danny to do something about it, and so Dwight and Danny contacted the 3ABN Board. According to sources, the 3ABN Board agreed to pay Remnant by advancing money from 3ABN Trust Department funds. This could explain how 3ABN sustained a loss of \$3 million, Dwight Hall got paid his \$3 million, and Danny earned his windfall royalties from Remnant.

But the 3ABN Trust Department funds that paid Dwight and ultimately Danny have to get paid back somehow, for the Trust Department has payment obligations it has to make to its clients. Thus [K36FJ is being sold](#) for \$400,000 cash up front, and on October 2, 2007, Jim Gilley [agreed to sell K58DL](#) in Yakima, Washington, for an additional \$450,000.

Some may remember that those who ordered the free *Ten Commandments Twice Removed* book during the 2006 campaign only had to pay 25¢ a book for shipping. This should have raised \$1,075,000 toward the roughly \$3,000,000 bill from Remnant. In reality, that sum could have paid for the entire cost of printing if Pacific Press had done the entire job.

Shelley Quinn Says Nearly 7 Million Copies Distributed

Out of the hundreds of thousands of dollars Danny Shelton has already allegedly earned in royalties from the *Ten Commandments Twice Removed* book, how much has co-author Shelley Quinn received from Danny? While we do not know how much, if any, he has shared with Shelley, we do know that she had the following to say on the air by early October 2007:

"Nearly 7 million copies of the English and Spanish translations have already been distributed in less than two years. And the book has also been translated into 7 languages, including French, Tamil, Russian, Afrikaans, and Portuguese. There's really no way for us to track the total number of books distributed in these other languages, but we do know that tens of thousands have been shipped."

Thus, there have been a whole lot more than 4.8 million copies sold. What do Danny's royalty earnings amount to at this point? Whether new 3ABN Board member Larry Romrell would know we cannot say, though sources claim he did help cover 3ABN's unpaid *Ten Commandment* invoices this year by sending a substantial, six-figure donation to Remnant Publications. Yet we do wonder why he sent his checks directly to Remnant rather than to 3ABN.

To watch the entire video clip of Shelley's *Ten Commandments Twice Removed* commercial, click on the link you prefer below.

While it is exciting to hear Shelley describe reports from anonymous writers regarding how they are switching their day of worship from Sunday to the Bible Sabbath, we think it better to be able to verify that such alleged reports are indeed genuine before justifying this enriching of Danny Shelton at the expense of the financial health of 3ABN.

Quality	View Now (Download Speed)	Download to Disk (File Size)
Better	141K	3.1M
Good	102K	2.3M
So-So	24K	599K

Data from Remnant Publications' Form 990's

Donations, Sales, Printing, Shipping, and Royalties

For the table below, we have pulled some of the data from the revenue and expense sections of Remnant's [Form 990's for 1999 through 2006](#). We have added two columns at the end that calculate the percentage of sales that the royalties amount to.

Year	Revenue (Part I)				Expenses (Part II)					[Royalties As % of Sales]	[Average Royalty %]	
	Donations & Grants (Ln 1)	Sales of Inventory (Ln 10)		Sales of Literature (Ln 2)	Postage & Shipping (Ln 35)	Printing & Publications (Ln 38)	Other (Ln 43)					
		Gross Sales	Cost of Goods				Gross Profit	Freight	Print Supplies			Royalties
1999	\$147,044	\$461,470	(\$170,414)	\$291,056				\$39,333				
2000	\$285,875				\$721,476			\$56,356	\$287,172	\$6,542	0.91%	
2001	\$111,752				\$570,894			\$58,689	\$135,015	\$17,652	3.09%	
2002	\$184,841			\$0	\$743,348	\$63,265	\$216,148			\$12,438	1.67%	1.76%
2003	\$328,388			\$0	\$888,844	\$77,539	\$262,297			\$16,226	1.83%	
2004	\$194,944			\$0	\$2,009,825	\$152,734	\$592,153			\$26,178	1.30%	
2005	\$451,004	\$0	\$0	\$0	\$1,228,662	\$112,769	\$445,558			\$116,556	9.49%	
2006	\$265,682	\$0	\$0	\$0	\$4,316,011	\$394,640	\$1,680,814			\$508,767	11.79%	10.64%

Those who wonder why Remnant Publications reported to the IRS that they had \$0 in sales of inventory for each year after 1999 should direct such questions to Remnant.

Danny [incorporated DLS Publishing on November 30, 2004](#), just in time to make sure that DLS Publishing published his new book *Antichrist Agenda* rather than D & L Publishing. While DLS did the publishing, Remnant did the printing. The 2006 book *Ten Commandments Twice Removed* is a smaller version of *Antichrist Agenda*.

Remnant's payment of royalties increased greatly after the incorporation of DLS Publishing and the printing of *Antichrist Agenda*. Adding the amounts that the royalties paid out in 2005 and 2006 exceeded what was paid out in 2004 gives us a figure of \$90,378 (2005) + \$482,589 (2006) = \$572,967 (total increase). How much of this \$572,967 went to Danny Lee Shelton? Sources tell us that what Remnant pays out to other authors in royalties just doesn't amount to much.

Note 14 of 3ABN's [2005 financial statement](#) claims that 3ABN bought \$82,712.43 worth of books "authored by a member of management" "from the publisher," and that "royalties are paid by the publisher to the author." Perhaps coincidentally, Remnant's increase in royalty expenses in 2005 over 2004 amounted to \$90,378, a figure rather close to \$82,713.43.

If we subtract the printing costs of 2005 from those of 2006 in order to get the approximate cost of printing all the *Ten Commandments Twice Removed* books in 2006, and then divide that result by 4.3 million copies, we end up with a cost of 28.7¢ a book.

If we subtract the postage and shipping costs of 2005 from those of 2006 in order to get the approximate cost of shipping the *Ten Commandments Twice Removed* books in 2006, and then divide that result by 4.3 million copies, we end up with a cost of 6.6¢ a book.

Should Remnant Publications consider returning to 3ABN however much of the 25¢ per book shipping charge that went beyond actual shipping costs, whatever those actual costs were? If they did, perhaps 3ABN wouldn't have to sell as many TV stations.

Occupancy and Travel

The purpose of the legal requirement of making these Form 990's available to the public is that it helps to make charitable organization more accountable for how they use the funds that are donated to them. For example, consider two other categories of expenses, with "Utilities" from 1999 to 2001 probably actually a part of "Occupancy":

Year	Expenses (Part II)		
	Occupancy	Other (Ln 43)	Travel
		Utilities	
1999	\$400	\$9,931	\$5,925
2000		\$26,119	\$6,199
2001		\$23,303	\$15,440
2002	\$72,792		\$17,460
2003	\$74,879		\$27,521
2004	\$60,000		\$61,462
2005	\$96,500		\$103,547
2006	\$120,000		\$148,964

Obviously, occupancy expenses increased dramatically after 2001, travel increased dramatically after 2003, and 2006's expenses were 200% or more that of 2004 for both these categories. What happened?

Occupancy

"Occupancy" can include whatever it costs to occupy the building your charity resides in:

Line 36. Occupancy
 Enter the total amount paid or incurred for the use of office space or other facilities, heat, light, power, and other utilities (other than telephone expenses reported on line 34), outside janitorial services, mortgage interest, property insurance, real estate taxes, and similar expenses.

[\("2006 Instructions for Form 990"\)](#)

Remnant Publications is located at 649 East Chicago Road in Coldwater, Michigan, in a building owned by R & D Development, according to Branch County, Michigan, records:

Property Address		[collapse]
649 E CHICAGO RD COLDWATER, MI 49036		
Owner Information		[collapse]
R & D DEVELOPMENT COMPANY 649 E CHICAGO RD COLDWATER, MI 49036	Unit:	070
Taxpayer Information		[collapse]
HALL, DANNY 310 DAYBURG RD COLDWATER, MI 49036		

Notice how R & D Development is also located at 649 East Chicago Road, Remnant's own address, according to the "Owner Information" above. Notice also how the taxpayer is Danny Hall at 310 Dayburg Road. 310 Dayburg Road happens to be another address that R & D Development uses, according to Branch County records:

Owner Information		[collapse]
R & D DEVELOPMENT 310 DAYBURG RD COLDWATER, MI 49036	Unit:	030

That address is also the same one listed in Part V-A of a number of Remnant's [Form 990's](#) as being the address of Daniel Hall, Remnant's vice-president, secretary, and treasurer.

Part V-A Current Officers, Directors, Trustees, and Key Employees (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) (See the instructions.)				
(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
Name Dwight Hall Str 378 S Fremont Rd City Coldwater ST MI zip 49036	Title President H/WK 2	22,789	0	0
Name Daniel Hall Str 310 Dayburg Rd City Coldwater ST MI zip 49036	Title VP/Sec/Treas H/WK 2	22,789	0	0
Name Rudy W. Hall Str 398 Rugged Mount City Cullowhee ST NC zip 28723	Title Director H/WK 2	0	0	0
Name C. Darwin Hall Str 308 Dayburg Rd City Coldwater ST MI zip 49036	Title Director H/WK 2	0	0	0
Name Str City ST zip	Title H/WK			

Thus, if Daniel Hall could speak with the powers that be at R & D Development, one of which is likely himself, perhaps whatever charges Remnant is incurring from R & D could revert back to the levels of prior years.

You may notice that all the above directors and officers have Hall for a last name. In light of that fact consider the questions immediate following the list of directors in Part V-A as answered in 2005:

Form 990 (2005)	Remnant Publications, Inc.	38-2810502	Page 6
Part V-A Current Officers, Directors, Trustees, and Key Employees (continued)		Yes	No
75 a	Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings		
b	Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s).	75b	X
c	Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to this organization through common supervision or common control? Note. Related organizations include section 509(a)(3) supporting organizations. If "Yes," attach a statement that identifies the individuals, explains the relationship between this organization and the other organization(s), and describes the compensation arrangements, including amounts paid to each individual by each related organization.	75c	X
d	Does the organization have a written conflict of interest policy?	75d	X

Line 75b regarding whether Dwight Hall, Dan Hall, Rudy Hall, or Darwin Hall are related by family or business ties is answered "No" above, a rather peculiar error. However, it is correctly answered "Yes" in 2006. Yet the required statement explaining what exactly those family and business relationships are is missing from the copy of the Form 990 we received.

Out of the \$120,000 Remnant paid for Occupancy costs, how much of that went for property taxes? Not a whole lot. Notice the taxable value listed below:

General Information for Tax Year 2007 [collapse]			
Property Class:	201	Assessed Value:	\$580,200
School District:	12010 - COLDWATER	Taxable Value:	\$141,454
State Equalized Value:	\$580,200	Map #	
User Num Idx:	0	Date of Last Name Chg:	08/14/2007
Date Filed:	04/06/199		
Principal Residence Exemption (2006 May 1):	0.0000 %		
Principal Residence Exemption (2006 Final):	0.0000 %		
Principal Residence Exemption (2007 May 1):	0.0000 %		

Previous Year Info	MBOR Assessed	Final S.E.V.	Final Taxable
2006	\$580,200	\$580,200	\$136,407
2005	\$580,200	\$580,200	\$132,050

Now plug the \$141,454 taxable value figure above into [Michigan's property tax estimator](#), and you end up with an estimate of \$7,904 c tax for the year 2007 for the entire building, if it resides in the city of Coldwater:

Department of Treasury

Michigan.gov Home | Treasury Home | Taxes Home | Sitemap | Contact Treasury | FAQ | Forms

Property Tax Estimator
 You can now access estimates on property taxes by local unit and school district, using 2006 millage rates. Simply enter the Taxable Value (approximately 50% of your home value), and select your county from the drop down list provided. You will then be prompted to select your city, village or township along with your school district.

1. Enter your Taxable Value: (Approximately 50% Home Value)

2. Select Your County:

3. Select Your City/Village/Township:

4. Select Your School District:

Estimated Property Tax For Primary Residence or Qualified Farm (Homestead):

Estimated Property Tax For Second Home, Rental or Business (Non-Homestead):

But then again, if Remnant Publications is a 501(c)3 organization, and if it owned the building instead of R & D Development, it might not have to pay any property tax at all.

Travel

Other businesses that find their home at 649 East Chicago Road in Coldwater include A Better Way of Life Fitness & Nutrition Center with [Dwight Hall as owner](#). And then there is [Millennium Enterprise](#), an aircraft renovation company whose website includes [contact information](#) for Dwight Hall. Millennium Enterprise incorporated in Michigan on September 22, 2004, as a foreign limited liability company from Delaware, after incorporating in Delaware the previous April 23.

Searched for: MILLENNIUM ENTERPRISE LLC
ID Num: B9109K
Name: MILLENNIUM ENTERPRISE LLC
Type: Foreign Limited Liability Company
Resident Agent: DANIEL HALL
Registered Office Address: 310 DAYBURG RD COLDWATER MI 49036
Mailing/Office Address:
Formation/Qualification Date: 9-22-2004
Jurisdiction of Origin: DELAWARE
Managed by:
Status: ACTIVE Date: Present

Daniel Hall at 310 Dayburg Road thus shows up again in the record above.

File Number:	3794542	Incorporation Date / Formation Date:	04/23/2004 (mm/dd/yyyy)
Entity Name:	MILLENNIUM ENTERPRISE LLC		
Entity Kind:	LIMITED LIABILITY COMPANY (LLC)	Entity Type:	GENERAL
Residency:	DOMESTIC	State:	DE

2004, the year that Millennium Enterprise incorporated, was the same year that travel expenses began climbing dramatically.

Millennium Enterprise advertises that it has renovated three planes, of which it still owns two. Are these planes used for Remnant-related business? Flight records, though incomplete, indicate that these planes were used to make a round trip from Coldwater to Marion, Illinois, and Denver, Colorado, on June 20-21, 2007, a trip from Marion, Illinois, to Coldwater on July 25, 2007, and round trips from Coldwater to Marion, Illinois, on September 20 and 28-29. Since Marion is just down the road from 3ABN, there is a chance that these planes are used for Remnant-related business ventures with 3ABN, and if so, charges to Remnant for their use may be part of the cause of Remnant's 2006 travel expenses jumping 441% from 2003 to 2006.

So what exactly would be a possible problem with Millennium Enterprise, as well as with the numbers for "Occupancy"? As the excerpt from the 2005 Form 990 above indicates, Dwight and Dan Hall reported salaries that year from Remnant of \$22,789, in exchange for "2 hours of work a week. Is it possible that these amounts are not their total compensation for their work at Remnant, and that they are supplementing their income with payments from Remnant to other companies they own, such as R & D Development, Millennium Enterprise, or others?

Dwight Hall Concerned

Sources indicate that Remnant Publications is presently in lock-down mode. Dwight Hall's office is now constantly locked, and he is reviewing all emails being sent out by employees. Anyone who says anything about him in emails will get fired, and there has already been at least one casualty from this new policy, according to reports.

What might prompt such concern? One possibility is suggested by what a reporter wrote Save3ABN.com toward the end of September, asking us for assistance in verifying a tip:

----- Original Message -----
From: *****
To: AURreporter
Subject: IRS
Date: Wed, 26 Sep 2007

Have followed this site, as of late. ... We have been asked to investigate whether or not the IRS has taken records from 3ABN, even now with Mr. Shelton ill. Hoping for any info you might have on financial investigation. ... Just looking to see if this tip is legit. ...

To date we still can't confirm the above story. However, a former 3ABNer did tell us about two weeks prior to the above inquiry that the IRS had contacted him/her, and that he/she had passed on the contact info for that IRS agent to 3ABN board chairman Walt Thompson perhaps three weeks before the above inquiry, and that Dr. Thompson was going to contact the agent.

It was presumably after Walt Thompson received this notice from the former 3ABNer that Danny Shelton on the air on September 6 declared that there was no truth in the report that the IRS was secretly investigating him. He emphatically added that people who say otherwise are enemies of the gospel.

Remnant-Related Pictures

Here is the front of R & D Development's building that provides a home for Remnant Publications and Better Way of Life Fitness Center:

Ex. KK

STATE OF ILLINOIS
 County of Frankli
 Document No. 2015-4805
 Filed for record

AUG 12 2005
 at 10:00 Block A M.
 Fee paid \$ 44.00
 RHSP Surcharge \$ 10.00
Rose B. Hill
 County Clerk & Recorder

[Space Above This Line for Recording Data]

MORTGAGE

MAXIMUM LIEN. At no time shall the principal amount of Indebtedness secured by the Mortgage, not including sums advanced to protect the security of the Mortgage, exceed \$200,000.00.

THIS MORTGAGE dated August 1, 2005, is made and executed between **DANNY L. SHELTON**, whose address is 2954 New Lake Road, West Frankfort, IL 62896 (referred to below as "Grantor") and **THE FJARLI FOUNDATION**, whose address is 670 Mason Way, Medford OR 97501, (referred to below as "Lender").

GRANT OF MORTGAGE. For valuable consideration, Grantor mortgages, warrants, and conveys to Lender all of Grantor's right, title and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water, water rights, watercourses and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, the ("Real Property") located in Franklin County, State of Illinois:

A PART OF THE NORTHWEST ONE-FOURTH (NW ¼) OF THE NORTHEAST QUARTER (NE ¼) OF SECTION 20, TOWNSHIP 7 SOUTH, RANGE 4 EAST OF THE THIRD PRINCIPAL MERIDIAN; MORE PARTICULARLY DESCRIBED AS BEGINNING AT AN IRON PIN MARKING THE NORTHWEST CORNER OF THE SAID NORTHWEST ONE-FOURTH (NW ¼) OF THE NORTHEAST QUARTER (NE ¼); THENCE RUNNING SOUTH ALONG THE WEST LINE THEREOF A DISTANCE OF 593.32 FEET TO A POINT; THENCE RUNNING EAST ALONG A LINE PARALLEL TO THE NORTH LINE OF THE SAID QUARTER-QUARTER A DISTANCE OF 1329.86 FEET TO THE POINT LOCATED ON THE EAST LINE OF THE SAID QUARTER-QUARTER; THENCE RUNNING NORTH ALONG THE SAID EAST LINE A DISTANCE OF 593.32 FEET TO AN IRON PIN MARKING THE NORTHEAST CORNER OF THE SAID QUARTER-QUARTER; THENCE RUNNING WEST ALONG THE SAID NORTH LINE A DISTANCE OF 1330.12 FEET TO THE POINT OF BEGINNING; ALL BEING SITUATED IN FRANKLIN COUNTY, ILLINOIS, EXCEPTING THE COAL, OIL, GAS AND OTHER MINERALS UNDERLYING THE SAME AND ALL RIGHTS AND EASEMENTS IN FAVOR OF THE OWNER.

Ex. LL

Form **990-PF**

**Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation**

OMB No 1545-0052

2004

Department of the Treasury
Internal Revenue Service

Note: The organization may be able to use a copy of this return to satisfy state reporting requirements.

For calendar year 2004, or tax year beginning , and ending

G Check all that apply: Initial return Final return Amended return Address change Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of organization FJARLI FOUNDATION		A Employer identification number 6466
	Number and street (or P.O. box number if mail is not delivered to street address)	Room/suite	B Telephone number (see page 10 of the instructions) 541/779-2233
	City or town, state, and ZIP code MEDFORD OR 97501		C If exemption application is pending, check here <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>	
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 313,986		J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	
		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>	
		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>	

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions).)		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)	0			
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments	0	2,885	2,885	
	4 Dividends and interest from securities	0			
	5 a Gross rents	0			
	b Net rental income or (loss)	0			
	6 a Net gain or (loss) from sale of assets not on line 10	0			
	b Gross sales price for all assets on line 6a	0			
	7 Capital gain net income (from Part IV, line 2)		0		
	8 Net short-term capital gain			0	
	9 Income modifications				
	10 a Gross sales less returns and allowances	0			
b Less: Cost of goods sold	0				
c Gross profit or (loss) (attach schedule)	0				
11 Other income (attach schedule)	0	0	0		
12 Total. Add lines 1 through 11	0	2,885	2,885		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	0			
	14 Other employee salaries and wages	0			
	15 Pension plans, employee benefits	0			
	16 a Legal fees (attach schedule)	0			
	b Accounting fees (attach schedule)	0			
	c Other professional fees (attach schedule)	0			
	17 Interest	0			
	18 Taxes (attach schedule) (see page 14 of the instructions)	0			
	19 Depreciation (attach schedule) and depletion	0	0	0	
	20 Occupancy	0			
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	23,381	0	0	23,381
	24 Total operating and administrative expenses. Add lines 13 through 23	23,381	0	0	23,381
	25 Contributions, gifts, grants paid	715,067			715,067
26 Total expenses and disbursements. Add lines 24 and 25	738,448	0	0	738,448	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	-738,448				
b Net investment income (if negative, enter -0-)		2,885			
c Adjusted net income (if negative, enter -0-)			2,885		

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For Privacy Act and Paperwork Reduction Act Notice, see the Instructions.

Form 990-PF (2004)

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Form 990-PF (2004)

FJARLI FOUNDATION

6466

Page 2

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions.)			
		Beginning of year	End of year		
		(a) Book Value	(b) Book Value	(c) Fair Market Value	
Assets	1	Cash—non-interest-bearing			
	2	Savings and temporary cash investments	1,066,246	113,986	113,986
	3	Accounts receivable ▶			
		Less: allowance for doubtful accounts ▶	0	0	0
	4	Pledges receivable ▶			
		Less: allowance for doubtful accounts ▶	0	0	0
	5	Grants receivable	0		
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)	0	0	0
	7	Other notes and loans receivable (attach schedule) ▶ 200,000			
		Less: allowance for doubtful accounts ▶	0	200,000	200,000
	8	Inventories for sale or use	0		
	9	Prepaid expenses and deferred charges	0		
	10 a	Investments—U.S. and state government obligations (attach schedule)	0	0	0
	b	Investments—corporate stock (attach schedule)	0	0	0
	c	Investments—corporate bonds (attach schedule)	0	0	0
	11	Investments—land, buildings, and equipment: basis ▶	0		
	Less: accumulated depreciation (attach schedule) ▶	0	0	0	
12	Investments—mortgage loans	0			
13	Investments—other (attach schedule)	0	0	0	
14	Land, buildings, and equipment: basis ▶	0			
	Less: accumulated depreciation (attach schedule) ▶	0	0	0	
15	Other assets (describe ▶)	0	0	0	
16	Total assets (to be completed by all filers—see page 16 of the instructions. Also, see page 1, item I)	1,066,246	313,986	313,986	
Liabilities	17	Accounts payable and accrued expenses	0		
	18	Grants payable	0		
	19	Deferred revenue	0		
	20	Loans from officers, directors, trustees, and other disqualified persons	0	0	
	21	Mortgages and other notes payable (attach schedule)	0	0	
	22	Other liabilities (describe ▶)	0	0	
23	Total liabilities (add lines 17 through 22)	0	0		
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted	1,066,246	313,986	
	25	Temporarily restricted			
	26	Permanently restricted			
	Organizations that do not follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 27 through 31.				
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg., and equipment fund			
29	Retained earnings, accumulated income, endowment, or other funds				
30	Total net assets or fund balances (see page 17 of the instructions)	1,066,246	313,986		
31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	1,066,246	313,986		

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,066,246
2	Enter amount from Part I, line 27a	2	-738,448
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	327,798
5	Decreases not included in line 2 (itemize) ▶ income taxes	5	16,697
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	311,101

Form **990-PF**

Return of Private Foundation
 or Section 4947(a)(1) Nonexempt Charitable Trust
 Treated as a Private Foundation

OMB No 1545-0052

2005

Department of the Treasury
 Internal Revenue Service

Note: The organization may be able to use a copy of this return to satisfy state reporting requirements

For calendar year 2005, or tax year beginning , and ending

G Check all that apply: Initial return Final return Amended return Address change Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of organization FJARLI FOUNDATION		A Employer identification number 6466
	Number and street (or P.O. box number if mail is not delivered to street address)	Room/suite	B Telephone number (see page 10 of the instructions) 541/779-2233
	City or town, state, and ZIP code MEDFORD OR 97501		C If exemption application is pending, check here <input type="checkbox"/>
			D 1. Foreign organizations, check here <input type="checkbox"/>
			2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation			E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ \$ 205,533	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis.)		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1	Contributions, gifts, grants, etc., received (attach schedule)				
2	Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B				
3	Interest on savings and temporary cash investments	395	395		
4	Dividends and interest from securities	0			
5 a	Gross rents				
b	Net rental income or (loss)	0			
6 a	Net gain or (loss) from sale of assets not on line 10	0			
b	Gross sales price for all assets on line 6a	0			
7	Capital gain net income (from Part IV, line 2)		0		
8	Net short-term capital gain			0	
9	Income modifications				
10 a	Gross sales less returns and allowances	0			
b	Less Cost of goods sold	0			
c	Gross profit or (loss) (attach schedule)	0			
11	Other income (attach schedule)	0	0	0	
12	Total. Add lines 1 through 11	395	395	0	
13	Compensation of officers, directors, trustees, etc.	0			
14	Other employee salaries and benefits				
15	Pension plans, employee benefits				
16 a	Legal fees (attach schedule)	0			
b	Accounting fees (attach schedule)	0			
c	Other professional fees (attach schedule)	0			
17	Interest				
18	Taxes (attach schedule) (see page 11 of the instructions)	0			
19	Depreciation (attach schedule) and depletion	0	0	0	
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses (attach schedule)	4,848	0	0	38,048
24	Total operating and administrative expenses.				
	Add lines 13 through 23	4,848	0	0	38,048
25	Contributions, gifts, grants paid	104,000			104,000
26	Total expenses and disbursements. Add lines 24 and 25	108,848	0	0	142,048
27	Subtract line 26 from line 12				
a	Excess of revenue over expenses and disbursements	-108,453			
b	Net investment income (if negative, enter -0-)		395		
c	Adjusted net income (if negative, enter -0-)			0	

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)			
		Beginning of year	End of year		
		(a) Book Value	(b) Book Value	(c) Fair Market Value	
Assets	1	Cash—non-interest-bearing			
	2	Savings and temporary cash investments	113,986	55,533	55,533
	3	Accounts receivable	0	0	0
		Less: allowance for doubtful accounts	0	0	0
	4	Pledges receivable	0	0	0
		Less: allowance for doubtful accounts	0	0	0
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)	0	0	0
	7	Other notes and loans receivable (attach schedule)	150,000		
		Less: allowance for doubtful accounts	0		
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10 a	Investments—U.S. and state government obligations (attach schedule)	0	0	0
	b	Investments—corporate stock (attach schedule)	0	0	0
	c	Investments—corporate bonds (attach schedule)	0	0	0
	11	Investments—land, buildings, and equipment: basis	0		
	Less: accumulated depreciation (attach schedule)	0	0	0	
12	Investments—mortgage loans				
13	Investments—other (attach schedule)	0	0	0	
14	Land, buildings, and equipment: basis	0			
	Less: accumulated depreciation (attach schedule)	0	0	0	
15	Other assets (describe)	0	0	0	
16	Total assets (to be completed by all filers—see page 16 of the instructions. Also, see page 1, item I)	313,986	205,533	205,533	
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons	0	0	
	21	Mortgages and other notes payable (attach schedule)	0	0	
	22	Other liabilities (describe)	0	0	
23	Total liabilities (add lines 17 through 22)	0	0		
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/>				
	and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted	313,986	205,533	
	25	Temporarily restricted			
	26	Permanently restricted			
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/>				
	and complete lines 27 through 31.				
	27	Capital stock, trust principal, or current funds			
28	Paid-in or capital surplus, or land, bldg., and equipment fund				
29	Retained earnings, accumulated income, endowment, or other funds				
30	Total net assets or fund balances (see page 17 of the instructions)	313,986	205,533		
31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	313,986	205,533		

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	313,986
2	Enter amount from Part I, line 27a	2	-108,453
3	Other increases not included in line 2 (itemize)	3	
4	Add lines 1, 2, and 3	4	205,533
5	Decreases not included in line 2 (itemize)	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	205,533